

Amendment No. 1 to SB2898**Miller
Signature of Sponsor****AMEND Senate Bill No. 2898****House Bill No. 2728***

By deleting all of the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-2-401, is amended by adding a new subsection thereto, as follows:

(d) Every incorporated municipality is empowered, through its legislative body, to choose to not receive any revenues from county or other local political subdivisions, including revenues for school operation purposes. Residents of an incorporated municipality that chooses not to receive county revenues shall be exempt from payment of any taxes imposed by such county, other than local option sales taxes as provided by Tennessee Code Annotated, Title 67, Chapter 6, Part 7.

SECTION 2. Tennessee Code Annotated, Section 49-3-315, is amended by adding a new subsection thereto, as follows:

(d)(1) Notwithstanding any provision of law to the contrary, including any requirement of this section, every incorporated municipality is empowered, through its legislative body, to choose to not receive any revenues from county or other local political subdivisions, including revenues for school operation purposes. Each LEA within such municipality shall place in one (1) separate school fund all school revenues for current school operation purposes received from the state and municipalities.

(2) In any county in which only one (1) pupil transportation system is operated, residents in a municipality that has chosen to not receive county revenues shall be subject to a special tax to cover that portion of the total cost of such public school transportation system as is in excess of the state funds generated for student transportation in such county.

(3) No LEA in a municipality that has chosen to not receive county revenues for shall receive funds from the county trustee based upon WFTEADA figures or any other basis.

SECTION 3. Tennessee Code Annotated, Section 5-8-102, is amended by adding a new subsection thereto, as follows:

(e) Notwithstanding any law to the contrary, no county shall levy any privilege tax or motor vehicle tax upon any resident in a municipality that has chosen to not receive county revenues for school operations purposes or any other purposes.

SECTION 4. Tennessee Code Annotated, Section 5-8-107, is amended by adding a new subsection thereto, as follows:

(c) No county revenues shall be provided to any LEA in a municipality that has chosen to not receive county revenues for school operations purposes.

SECTION 5. Tennessee Code Annotated, Title 67, Chapter 5, Part 1, is amended by adding a new section thereto, as follows:

Section 67-5-105. Notwithstanding any provision of law to the contrary, no county shall be authorized to impose an ad valorem tax upon any property in a municipality that has chosen to not receive county revenues for school operations purposes or any other purposes.

SECTION 6. This act shall take effect July 1, 2004, the public welfare requiring it.